

RICHARD A. JONES (Bar No. 135248)
(rjones@cov.com)
COVINGTON & BURLING LLP
One Front Street
San Francisco, CA 94111
Telephone: (415) 591-6000
Facsimile: (415) 591-6091

Attorneys for Plaintiff
Roots Ready Made Garments Co. W.L.L.

IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF CALIFORNIA

ROOTS READY MADE GARMENTS CO.
W.L.L.,

Plaintiff,

v.

THE GAP, INC., a/k/a, GAP, INC., GAP
INTERNATIONAL SALES, INC., BANANA
REPUBLIC, LLC, AND OLD NAVY, LLC,

Defendants.

Case No: C 07 3363 CRB

DECLARATION OF ASHRAF ABU ISSA
IN SUPPORT OF PLAINTIFF'S
OPPOSITION TO DEFENDANTS'
MOTION TO DISMISS THE FIRST
AMENDED COMPLAINT

Date: October 12, 2007

Time: 10 o'clock a.m.

Place: Courtroom 8, 19th Floor

Judge: Charles R. Breyer

Ashraf Abu Issa declares the following under penalty of perjury:

1. From the company's founding until in or around December 2004, I served as the Chief Executive Officer of Roots Ready Made Garments Co. W.L.L. ("Roots"). I make this declaration in support of Roots' opposition to the motion to dismiss filed by Gap, Inc., Gap International Sales, Inc., Banana Republic, LLC, and Old Navy, LLC (collectively, "Gap") to address certain factual issues raised by the motion to dismiss.

2. Roots paid \$6 million to purchase 1.7 million pieces of excess Gap inventory. To carry out the purchase, Roots opened a letter of credit with Gabana as the beneficiary.



DECL. OF ASHRAF ABU ISSA
Case No: C 07 3363 CRB

1 Gabana simultaneously opened a back-to-back letter of credit with Gap as the beneficiary. Gap
2 was fully aware that Roots purchased the excess inventory.

3 3. Gap was also fully aware that Roots functioned as a distributor in the Middle
4 East for first-line Gap merchandise under the ISP program, as well as excess inventory. Roots
5 identified proposed retailers in various territories and presented them to Gap for Gap's approval.

6 4. On multiple occasions, I visited Gap's headquarters in San Francisco together
7 with Roots' local retailers to place purchase orders. When the orders were accepted, Gap
8 shipped the merchandise to Roots' facility in the Jebel Ali Free Trade Zone, Dubai, United Arab
9 Emirates. Roots then distributed the goods to the local retailers.

10 5. After Roots established profitable ISP distribution networks in Qatar and UAE,
11 Gap began to stall in approving new ISP retailers and new distribution territories. However,
12 Gap's representatives, including Jon Ehlen and Andrew Janowski, continued to encourage Roots
13 to submit new business proposals. They assured Roots that Gap intended to develop the parties'
14 long-term business relationship in the Middle East. Until August 12, 2005, when Gap actually
15 terminated its ISP agreement with Gabana, I believed, based on Gap's representations, that Gap
16 would approve additional retailers and territories at an appropriate time.

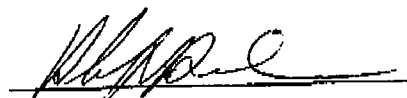
17 6. Even after Gap announced on May 12, 2005 that it intended to terminate its
18 distribution agreement with Gabana in 90 days, Gap's international vice president, Ron Young,
19 told Roots representatives, including the company's principal, Sheikh Faisal Ahmed Al-Thani,
20 that Gap would attempt to find a way to continue to do business with Roots. Ultimately, Roots'
21 discussions with Young were not successful.
22
23
24
25
26
27

28 DECL. OF ASHRAF ABU ISSA
Case No. C 07 3563 CRB.



1 I declare under penalty of perjury under the laws of the United States that the
2 foregoing is true and correct.
3

4 Executed this 7 day of September 2007 in Paris, France.
5

6 
7 Ashraf Abu Issa
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27

28 DECL OF ASHRAF ABU ISSA
Case No.: C 07 3363 CRB.